

House International Relations and Economic Development Committee  
86<sup>th</sup> Texas Legislature  
Interim Charge 2 Request for Information

**Response from Texas Workforce Commission**

**Interim Charge 2:** Study Texas' current and future workforce pipeline structure, with a focus on input from the state's largest industries and middle skill employers. Examine what skill gaps exist within our state; identify methods of improving regional coordination and alignment between industry, the public workforce system, public schools, higher education institutions, and community-based organizations to create college and career pathways; and provide recommendations to overcome barriers in the workforce pipeline and to enhance career path options.

**Current Workforce Pipeline**

The current workforce pipeline structure contains numerous examples of how the Texas Workforce Commission (TWC) works with various partners to create and sustain workforce pipelines. These partners, as detailed below, include local workforce development boards, public community and technical colleges, public independent school districts, Registered Apprenticeship Programs, and the Skills Enhancement Initiative.

**Local Workforce Development Boards**

Local Workforce Development Boards (Boards) are comprised of community leaders appointed by local elected officials and charged with planning and oversight responsibilities for workforce programs and services in their area. As defined in the federal Workforce Opportunity and Investment Act (WIOA), at least 51% of board members must represent private employment, ensuring the local industry has a voice in planning and policy affecting the local workforce. In Texas, the 28 Boards are responsible for:

- Developing local plans for the use of Workforce Innovation and Opportunity Act (WIOA) funds,
- Overseeing the local service delivery system (Workforce Solutions offices), and
- Coordinating activities with economic development entities and employers in their local areas.

Boards work with Eligible Training Providers (ETPs), to provide job training services to youth and adults, funded by WIOA and other federal workforce development programs. Occupational training programs, including those provided by institutions of higher education, career schools, apprenticeship sponsors, and community-based organizations, may be eligible for the statewide ETP list. Such training providers must be identified by Texas Education Code §62 and be appropriately licensed, or be exempt from licensure, in accordance with Texas Education Code §132. Providers must submit evidence of existing partnerships with local businesses for programs. Generally, programs must lead to occupations included on the statewide Target Occupations List, a list informed by local labor market information about in-demand and growing occupations.

**Public Community and Technical Colleges**

Through grant programs such as the Skills Development Fund, College Credit for Heroes, and Accelerate Texas, TWC works with community and technical colleges to fund training programs in which participants receive training – and, in some cases, academic instruction – for employment in in-demand and/or target occupations.

- The **Skills Development Fund** (Skills) provides local, customized training opportunities to increase skill levels and wages of the Texas workforce. TWC administers funding for the program

and encourages collaborative partnerships among businesses, public community and technical colleges, Boards, and economic development partners to develop and implement trainings to meet area needs. In FY 2019, TWC's Skills programs:

- Received 76 proposal applications totaling \$25,313,114
- Funded 38 Skills training grants with an average award of \$434,688
- Served 72 Businesses
- Supported the creation of 3,568 jobs
- Assisted with the upskilling of 9,115 incumbent workers
- Had an average wage earned of \$25.44 in 2019
- Skills for Small Business:
  - \$1,057,350 was awarded in grants providing training to small businesses in Texas
  - 1,082 employees of small businesses received training
- Dual Credit Equipment Program:
  - 29 proposals were received totaling \$4,986,579
  - 5 grants were awarded with an average award of \$187,246
- The **College Credit for Heroes** (CCH) program is a partnership among TWC, the Texas Higher Education Coordinating Board (THECB), and Texas colleges and universities. The primary goal of the program is to maximize college credit awarded to veterans and transitioning service members (TSMs) for their military experience, education, and training. Since 2011, over 25,000 official transcripts have been issued as a result of this initiative. Through the CCH program, veterans and TSMs identify career pathways to follow upon leaving the armed forces. Those pathways typically include training and certifications in areas such as Information Technology, Business, Logistics, and Emergency Medical Services.
- **Accelerate Texas** is an integrated education and training (IET) model in which Adult Education and Literacy (AEL) participants are concurrently enrolled in workforce training and AEL services designed to accelerate completion and placement into in-demand and targeted occupations. Accelerate Texas, which is implemented through grants to community colleges, allows individuals who would otherwise fall below college admission requirements to be admitted into training programs that provide both AEL and workforce training services. The Accelerate Texas program served over 2,500 participants in program year 2019 by providing case management, contextualized based skills for job specific training, and enhancement of basic skills. It has already served over 1,200 participants in program year 2020, even with the decrease in enrollments due to COVID-19.

### **Public Independent Schools Districts (ISDs)**

TWC supports development of workforce pipelines within public high schools through several initiatives which provide information, funding, and other support to public ISDs.

- Grant funding is provided to the Texas Education Agency (TEA) to support the **Pathways in Technology Early College High Schools** (P-TECH) program. P-TECHs are innovative, open-enrollment schools that allow students least likely to attend college an opportunity to receive both a high school diploma and a credential and/or an associate degree. The distinguishing feature of the P-TECH model is its career focus and the provision of work-based education. According to TEA, 21 schools participated in the program from February 1, 2018 through June 30, 2020 in industries such as Biotechnology and Life Sciences, Architecture and Construction, and Advance Technologies and Manufacturing.

- The objective of the **Workforce Career and Technical Education Specialists** pilot program is to provide career services to students at public middle and high schools, grades six through twelve, in designated regions in the State of Texas. The Program aims to direct those students toward the following: high growth, high demand occupations; opportunities and training in middle-skills jobs; apprenticeship training programs; internships; community and technical colleges; and occupations experiencing existing or projected workforce shortages. This pilot supports the achievement of Texas' goals outlined in 60x30TX by ensuring students gain degree certifications and graduate with marketable skills and minimal student debt. It operates by funding Workforce Solution Specialists to co-locate at area high schools to deliver career guidance and workforce information to students, including foster youth. The workforce specialist program has placed 28 Workforce career specialists across the state, who, from May 2019 through May 2020 provided direct counseling to 4,377 students, provided education to 1,591 teachers and other education partners, and supported 192 students in entering internships.
- The **Jobs and Education for Texans (JET)** program provides grants to public community, state, and technical colleges and ISDs to purchase and install equipment necessary for the development of career and technical education courses or programs that lead to a license, certificate, or post-secondary degree in a high-demand occupation. In FY 2019, the JET program:
  - Received 48 proposals totaling \$8,762,297,
  - Funded 12 colleges at \$2,660,721 and 15 ISD's at \$2,990,384 for a total dollar amount of \$5,651,105,
  - Awarded an average grant amount of \$209,300, and
  - Trained 4,663 students with JET-purchased equipment.

#### **Registered Apprenticeship Programs**

- **U.S. Department of Labor (DOL) Expansion Grants**
  - In July 2020, TWC was awarded a \$9.4 million grant by DOL to support the expansion of Registered Apprenticeship Programs (RAPs) in Texas.
  - RAPs are designed to help build viable career paths for youths and adults seeking to develop a career through training in skilled professions.
  - The RAPs training model combines paid on-the-job training, under the supervision of experienced journey workers, with related classroom instruction. These benefits of employment while learning a skilled profession help individuals build careers and allow companies to develop talent quickly.
  - This grant is the fourth in a series of expansion grants from DOL. As with previous expansion grant funds, TWC anticipates distributing funds via a request for applications (RFA) process.
  - Grant recipients are typically Boards and community colleges.
  - In FY 2019, TWC supported the training of over 2,100 apprentices, exceeding the target by over 200.
- **Chapter 133**
  - As authorized in [Texas Education Code, Chapter 133](#), TWC grants funds to local public educational institutions and apprenticeship committees to support the costs of related classroom instruction in registered apprenticeship training programs. Local education agencies and apprenticeship committees act as fiscal agents for registered apprenticeship training programs.
  - To qualify for Chapter 133 funds, apprenticeship training programs and apprentices must be registered with the U.S. Department of Labor Office of Apprenticeship.

- In FY 2019, TWC supported the training of 6,393 individuals; in FY 2020, 6,865 have already been trained.

### **Skills Enhancement Initiative**

TWC launched the Skills Enhancement Initiative to help recently unemployed Texas residents take charge of their futures and prepare to get back to work, showing the kind of initiative employers are looking for. This initiative provides Texans receiving unemployment benefits access to 5,000 free online courses through the Metrix online learning platform. Courses are broken into 30- to 60-minute modules. Courses, which are presented in English and Spanish, include the following:

- Customer Service
- Microsoft Office, Adobe, and Quick Books
- Analytical Skills and Data Management/Reporting
- Time Management and Leadership Skills
- Health & Safety and First Aid
- Many other skills tracks.

Since June 2020, all Texans receiving unemployment have received guidance on how to access this online platform with encouragement to sharpen their skills. TWC has sent unemployment claimants additional, periodic follow-up messaging about the value of this free system during a period when many Texans have more time at home for academic and professional development. Of the almost 28,000 course launches, 14,000 courses have been completed.

### **Future Workforce Pipeline**

For the future workforce pipeline, TWC anticipates growing the programs referenced above, while increasing efficiencies and adopting new processes that reflect lessons learned throughout the COVID-19 pandemic. Any changes and improvements to current processes will be the result of stakeholder feedback received while preparing for the Tri-Agency 2020 report, which is due to the Office of the Governor in October 2020.

TWC also anticipates a greater focus on the delivery of training and resources via online systems. With this new focus, TWC will continue to work with its Tri-Agency partners to explore options for the following:

- Improving access for individuals who are unable to access online training and resources.
- Providing guidance to trainers and educators on the development of high-quality, online training and resources.
- Increasing the number of participants who complete high-value, high-quality credentials in face-to-face and/or online settings.

To be most responsive to emerging and future business demands resulting from the pandemic, the TWC Commissioners approved an initial \$10 million Skills Development Fund set-aside to be granted with the greatest flexibility. An additional \$5 million was then approved, since demand continued, and TWC staff continues to receive funding requests. Under this flexible model, community and technical colleges provide training for occupations most in demand during the pandemic. The new model, allowing for the identification of business partners along the way, allows training providers to build the program in real time and bring businesses in, without the significant lead time required in some grants. As of August 31, 2020, 2,145 participants have been trained with 1,844 completing training in 50 grants.

### **Skill Gaps within Texas – Improvements in Regional Coordination and Alignment**

While developing strategies to address Governor Abbott’s Tri-Agency 2020 charges, the three agencies – Texas Education Agency, Texas Higher Education Coordinating Board, and Texas Workforce Commission – are exploring and will make recommendations on enhancing and creating processes to support regional coordination and alignment across industries, the public workforce system, public schools, higher education institutions, and community-based organizations. Those recommendations will be included in the Tri-Agency report. Areas in which the three agencies see opportunities to work together for improved regional coordination and alignment include data sharing and improvements to workforce projection methods, among other areas of collaboration.

### **Recommendations to Overcome Barriers in the Workforce Pipeline and Enhance Career Path Options**

TWC anticipates its Tri-Agency 2020 work with TEA and THECB will create numerous opportunities to identify and troubleshoot barriers to employment and/or upskilling.

Areas in which TWC is keenly aware of opportunities to explore and remediate barriers and to enhance career path options include considerations for the following populations:

- Transitioning Service Members and Veterans
- Foster Youth
- Opportunity Youth
- Formerly Incarcerated Individuals

### **The Tri-Agency Workforce Initiative and the Work Being Done during COVID-19**

Work began between the three agencies (TEA, THECB, and TWC) almost immediately following the Governor’s publication of the Tri-Agency 2020 charges in February 2020. Early plans included conducting regional listening sessions and convening stakeholder workgroups to take feedback to inform the final report. Due to COVID-19, the regional listening sessions were postponed, and the stakeholder workgroups moved to online settings through which stakeholders were invited to complete online surveys and to participate in webinars.

To gather stakeholder feedback, TWC staff published five surveys and gathered feedback on the following topics:

- Readiness, as it relates to high-quality child care (1 survey)
- Upskilling (2 surveys)
  - Employer Input
  - Educator/Trainer Input
- Infrastructure, as it relates to increasing program efficiencies (2 surveys)
  - Skills Development Fund
  - JET Grant Programs

To ensure the surveys reached a wide audience, TWC staff worked with multiple contact points – both internal and external to TWC – to publicize the surveys and encourage statewide participation. All surveys were completed within two weeks, with high-quality child care receiving the highest number of responses and Upskilling: Employer Input receiving the second highest. Respondents to the surveys provided representation from the following groups:

- Employers
- Employees

- Educators/Trainers
- Trade Associations
- Community-Based Organizations
- Non-Profit Organizations
- Chambers of Commerce
- Local Workforce Development Boards
- Community and Technical Colleges
- Independent School Districts

The wide audience of respondents also ensured various population areas of the state, including urban, suburban, and rural, were represented.

As of August 31, 2020, staff from the three agencies continue to meet each week to compile and analyze stakeholder input and to draft a final report. It is anticipated the final report will be submitted to the Office of the Governor in October 2020.